

**House Study Bill 247 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON KAUFMANN)

**A BILL FOR**

1 An Act expanding the sales and use tax exemption allowed for  
2 nonprofit blood centers.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, subsection 18, Code 2023, is  
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *h.* (1) Blood collection and processing  
4 establishments.

5 (2) As used in this paragraph, "*blood collection and*  
6 *processing establishment*" means the same as an establishment  
7 described in 216 C.F.R. §607.3(c).

8 Sec. 2. Section 423.3, subsection 26A, Code 2023, is amended  
9 by striking the subsection.

10 EXPLANATION

11 The inclusion of this explanation does not constitute agreement with  
12 the explanation's substance by the members of the general assembly.

13 This bill expands the current sales and use tax exemption  
14 allowed for nonprofit blood centers.

15 Under current law, tangible personal property sold or test  
16 laboratory services furnished are exempt from sales and use  
17 tax if sold or furnished to a nonprofit blood center that is  
18 registered by the federal food and drug administration, and the  
19 property or services are directly and primarily used in the  
20 processing of human blood.

21 The bill provides that tangible personal property or  
22 specified digital products sold or any services furnished are  
23 exempt from sales and use tax if sold or furnished to a blood  
24 collection and processing establishment. The bill defines  
25 blood collection and processing establishment to mean the  
26 same as an establishment described in 216 C.F.R. §607.3(c),  
27 which means a place of business under one management at one  
28 general physical location. The term includes, among others,  
29 human blood and plasma donor centers, blood banks, transfusion  
30 services, and other blood product manufacturers and independent  
31 laboratories that engage in quality control and testing for  
32 registered blood product establishments.